

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

REVIEW REPORT
OF
DEPARTMENT OF VETERANS AFFAIRS
STATE OF INDIANA
May 1, 2004 to September 30, 2006



FILED
12/28/2006

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AGENCY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	William Jackson Charles T. Applegate	01-13-97 to 01-09-05 02-14-05 to 01-10-09
Chairman	William Brewer Dave Havelly James Koutz	02-20-04 to 06-06-05 06-07-05 to 03-09-06 03-10-06 to 03-09-07



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE DEPARTMENT OF VETERANS AFFAIRS

We have reviewed the receipts, disbursements, and assets of the Department Of Veterans Affairs for the period of May 1, 2004 to September 30, 2006. The Department Of Veterans Affairs' management is responsible for the receipts, disbursements, and assets.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of this office are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports.

Based on our review, nothing came to our attention that caused us to believe that the receipts, disbursements, and assets of the Department Of Veterans Affairs are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State Agencies, and applicable laws and regulations except as stated in the review comment.

STATE BOARD OF ACCOUNTS

October 24, 2006

DEPARTMENT OF VETERANS AFFAIRS
REVIEW COMMENT
SEPTEMBER 30, 2006

SDO ADVANCE TURNOVER

The Special Disbursing Officer Fund (SDO) advance for the Department of Veterans Affairs was not turned over or reimbursed completely, for several months.

If a SDO advance is not used within one or two months then the SDO advance is too large and should be reduced. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 7)

DEPARTMENT OF VETERANS AFFAIRS
EXIT CONFERENCE

The contents of this report were discussed on November 14, 2006, with Charles T. Applegate, Executive Director; and James E. Holdeman, Deputy Director.

The contents of this report were discussed on November 15, 2006, with William Jackson, former Executive Director.